

MINUTES OF THE WORKERS' COMPENSATION MEDICAL FEE
ADVISORY BOARD MEETING HELD ON AUGUST 23, 2011 AT 9:00 A.M.
AT 100 WEST RANDOLPH STREET, ROOM 9-171, CHICAGO ILLINOIS

PRESENT: Mr. Mitch Weisz, IWCC Chairman
Mr. Glen Boyle, Project Manager
Ms. Susan Piha, IWCC Manager, R&E
Mr. Darrell Widen, Asst. General Counsel
Ms. Maddy Bowling, Maddy Bowling & Assoc.
Dr. Jesse Butler, Spine Consultants
Mr. John Smolk, United Airlines

VIA TELEPHONE: Mr. Roger Poole, International Assoc. of
Machinists and Aerospace Workers

Ms. Kimberly Moreland, Rising Medical Solutions

ALSO PRESENT: Mr. Bill McAndrew, IL Hospital Assoc.
Mr. Ted Whalen, Dept. of Insurance
Ms. Valerie McGregor, StrataCare
Mr. David Menchetti - Cullen, Haskins
Mr. Jeff Rogers, ATI
Mr. Tom Suffredin, Chicago Bar Assoc.
Mr. John O'Connell, Automated Healthcare Solutions
Ms. Daniella Watson, Corvel Corp.
Mr. Bob Devereaux, IWCC
Ms. Tiffany Grzybowski, Healthsystems
Mr. Michael Blixen, HFN
Ms. Liz Kerr, HFN
Ms. Estefany Mata, OrthoCentrex Solutions
Mr. Matt Hillison, Concentra
Ms. Barb Molloy, Molloy Consulting
Mr. Shaun Jacob, Automated Healthcare Solutions
Mr. Jason Wentworth, Concentra
Ms. Cyndy Novak, Medtronic
Ms. Anna Thompson, Medtronic
Mr. Charles Burhan, Liberty Mutual
Ms. Dena Scarce, Medtronic Spine
Mr. Randy Seiner, Chartis Insurance

Upon roll call Chairman Weisz noted a quorum and the meeting proceeded. John Smolk moved to approve the minutes from the previous meeting of June 25, 2011. The motion was seconded by Maddy Bowling and the minutes were approved unanimously.

Glen Boyle, IWCC consultant on the medical fee schedule provided the Board with an update of the progress on amending the medical fee schedule to conform to the provisions of P.A. 97-18. Mr. Boyle informed the Board that changing the default reimbursement rate from 76% of charges to 53.2% of charges had already been accomplished, and had been posted on the Commission's web site for a considerable time. That change would become effective for all medical services provided on or after September 1, 2011.

Mr. Boyle then reported on the progress on collapsing the current geo-zip based methodology in analyzing provider fees to the region-based methodology whereby hospital reimbursement rates would be based on charges in 14 county-based regions and other providers' reimbursement rates would be based on 4 county-based regions. That collapse is to take effect on January 1, 2012 pursuant to P.A. 97-18.

My Boyle informed the Board that there were options on collecting and analyzing relevant data within regions. The charges could simply be averaged, or they could be weighted based on population or numbers of procedures in the various regions. Mr. Boyle then presented printouts of competing analyses based on averaging and weighting. There was a general discussion amongst the Board members regarding the statistics provided by Mr. Boyle.

Mr. Boyle indicated that in his preliminary analysis there was not any consistent trend when using averaged versus weighted values. Some of the procedures were higher when using the weighted method and some were lower. Upon questioning from Chairman Weisz, Mr. Boyle stated that neither method would be unduly burdensome to implement and either method could be programmed into the system.

After Mr. Boyle's initial analysis and discussion by the Board, Chairman Weisz indicated that he did not advocate for either averaging or weighting, but that there should be consistency between application throughout the regions and counties. There was a general discussion of the relative merits of averaged versus weighted analysis.

The Board agreed that Mr. Boyle should provide a greater sample of averaged verses weighted reimbursement rates for the next meeting. He assured the Board that he could provide statistics for the top 10 or 15 CPT codes for the next meeting. Dr. Jesse Butler requested that the most complicated and catastrophic injuries be included in the analysis.

A question arose on whether the rate changes based on collapsing the geo-zips into designated regions applied to accidents incurred after January 1, 2012, or for medical services rendered after that date. After some preliminary discussion, Dr. Butler moved that the Board interpret the collapsing of the geo-zips into regions be effective for medical services provided after January 1, 2012 rather than for accidents incurred after that date. The motion was seconded by Ms. Bowling and the Board voted unanimously to so interpret the act.

Members of the Board indicated that providers and payers needed time to process the new information prior to the effective date of the changes. The Chairman indicated that it was the goal of the Commission to put the new information on the Commission's website by December 1, 2011.

Thereafter there was some discussion about the form employers must present to an injured employee informing him or her of the existence of the employer's Preferred Provider Program. The Chairman informed the Board that the Commission was in the process of promulgating the form as mandated by P.A 97-18.

Upon question from the Board Ted Whelan from the Department of Insurance, who was in attendance as an observer, informed the Board that the Department of Insurance was ready to accept applications for Preferred Provider Programs even though it had not yet promulgated rules or forms specifically suited to that program.

The Chairman was then asked about progress in promulgating rules at the Commission regarding implementation of the new Act. The Chairman informed the Board that the Commission would be the process of reviewing the Rules of the Commission in their entirety and would present a comprehensive re-write of the rules as soon as practicable.

There was discussion about the timing for the annual update based on the annual changes in codes and rules promulgated by the American Medical Association. The Board was informed that it was the interpretation of the Commission that these

updates would be implemented beginning January 1, 2012 and would be updated every January 1st thereafter.

The Board then adjourned and scheduled to reconvene on September 13, 2012 at 9:00 A.M.